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FRONT COVER

USDA Seed Specialist in Italy

George C. Edler visits the farm of Alfonso Pini, near Bologna, Italy. Mr. Pini (left) is president of the Italian seedsmen's association. (Photo by courtesy of Mr. Edler.)

BACK COVER

Chart Showing Value of United States Agricultural Exports, 1938–48

For many years, foreign markets have been important outlets for United States farm products. In the past 10 years, the value of United States agricultural exports has increased by about 2,600 million dollars. Much of this increase, however, is the result of the decreased value of the dollar, Government-aid programs, and similar factors.

Credit for photographs is given as follows: p. 123, J. Norman Efferson; p. 125, Howard Akers; p. 126, George C. Edler; p. 127, A. E. Mercker; pp. 128, 129, Henry A. Jones; p. 130, Extension Service; p. 131, International Harvester Company; pp. 134, 135, Information Office, Union of South Africa; p. 143, F. A. McClure.

NEWS NOTES

Mr. Moncure Returns to Washington For Consultation

Robert C. Moncure returned to Washington recently from Guatemala for consultation with Department of Agriculture officials. Mr. Moncure is the Department's research specialist on the staff of the cooperative station, the Instituto Agropecuario Nacional. He has spent nearly 2 years in Guatemala, and, in addition to his regular duties, he has made a search of new bean, legume, and grass species that can be introduced into the United States.

Dr. Burr Visits Cooperative Stations

W. W. Burr, Dean Emeritus of the College of Agriculture, University of Nebraska, is visiting Guatemala, El Salvador, and Peru on a 3-month travel grant from the Department of State. In these three countries, he will consult with the directors and technicians of the cooperative agricultural stations on specific research, training, and extension problems.

Dr. Burr retired last year and has recently returned from an assignment in Germany in connection with the Army's agricultural rehabilitation program.

Marketing Specialist Continues Citrus Study

J. Henry Burke, OFAR Marketing Specialist, returned to Europe in May to continue his study of market outlets for United States citrus fruit and the production of citrus fruit in foreign producing areas.

Mr. Burke resumed his work first in Madrid and Valencia, Spain. He will also go to North Africa, where he will visit Morocco, stopping in Casablanca and Rabat, Algeria, and Tunisia. From there he plans to go to the lemon area of Sicily and the orange-producing regions in the vicinity of Naples. He will also visit Switzerland and France.

FOREIGN AGRICULTURE ALICE I. FRAY, EDITOR

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United States Scouts the World's Markets

A special research and marketing project yields data on outlets for and competition with United States farm products.

by BERYLE STANTON

Farmers of the United States now have commodity specialists scouting the globe for them—surveying markets where a portion of their harvest has always gone and exploring foreign fields where competing crops grow. So far 14 men have been dispatched to 47 countries to determine the prospects for American farm products in world markets.

In the course of their travels, they have gathered a great deal of information for farmers. Here is the problem they are trying to solve.

For decades, United States farmers have planted each year with the firm expectation of selling an eighth of their total harvest abroad. Then during the past 10 years they upped their production about a fourth to meet the increased needs for food and farm products from all over the world.

After the war, when Government-aid programs and war-created demands began to dwindle, barriers—many still standing—to a free and thriving export trade sprang from the shortage of dollars in some of our best foreign markets. Other blocks appeared in front of certain United States crops when convalescing countries began to grow more of the things they needed.

Many United States farmers then found themselves confronted with the fact that their world market place was in danger of becoming at least partly closed to them. For some crops, this meant serious trouble.

Rice market in the Philippine Islands as photographed by Dr. Efferson.

Dr. Efferson, in Egypt studying the rice situation, inspects an age-old method of pumping water.

For example, half of the cotton and rice had been moving out from the farms to mills and mouths all over the world.

To put the farmers' problem more specifically. In 1947, less cotton was sold abroad than at any time for 75 years except during the abnormal war years just passed. Apples, pears, and citrus—fruits that normally move into foreign hands in large amounts—have been staying in this country. Tobacco growers saw certain foreign countries limiting their orders for this product. And rice growers—who increased their acreage from a million to nearly a million and three-quarters to help feed the rice-eating populations of war-harassed countries—began to foresee a definite slackening off in demand for their crop.

All this began to add up to a serious situation, one that would probably worsen as time went on, and led the Department of Agriculture to start these fact-finding expeditions about a year and a half ago. Their aim was simple—to get the facts for farmers. Then the farmers and handlers of farm products could take advantage of all possible foreign outlets and plan their over-all production and marketing. Headquartered in the Office of Foreign Agricultural Relations, this work is being done under the Research and Marketing Act the Department supervises.

OFAR keeps informed on the general over-all picture for agricultural products in foreign countries, largely through reports submitted by agricultural officers stationed at various posts throughout the world. OFAR also gets a wealth of information by compiling and analyzing a mass of data flowing into the office from trade reports and other miscellaneous sources. But this information is largely of a general nature. Specific information is also needed. Fourteen men, therefore, have been working on this project of helping piece together the confused world picture.

They have concentrated on getting certain missing information vital in helping OFAR complete the complex market situation for nine separate commodities—cotton, rice, tobacco, fruit, potatoes, field crop and vegetable seeds, tree nuts, fats and oils, and fish.

This corps of scouts consists of specialists, men with long training and experience on particular commodities. Some of them work regularly for OFAR, others were drawn from other agencies in the Department of Agriculture and the Government, and still others were borrowed on temporary assignments from outside Government.

These men started moving abroad in September 1947. Soon they began sending back reports. What has been learned so far has already gone out to farmers and to processors and handlers of crops, sometimes by word-of-mouth reports from the specialists themselves when they return, sometimes in letters written informally to help farmers and handlers keep abreast of the situation, and sometimes as more formal reports issued as circulars.

Cotton—because of its importance in United States agriculture and because approximately half the crop had been going abroad in the past—was one of the first commodities to be studied. P. K. Norris, a pioneer in this kind of survey since he started looking over the world cotton situation first-hand for the Department as far back as 1930, was one of the first men to be sent out. He went to Western Europe because that region formerly took from 50 to 60 percent of our cotton exports.

His findings showed that most countries in this area were doing the greatest part of their buying under some form of aid program. He pointed out something else, which may be found in most of the other specialists' reports—that the dollar shortage in foreign countries is primarily responsible for curtailed outlets for many of our exports. As long as the Economic Cooperation Administration continues to make dollars available for these countries' recovery, the situation will be favorable for the "essential" crops bought under it. The hope, of course, is that by the time the European Recovery Program has ended these countries will be

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able to begin buying on a dollar basis once more.

But Mr. Norris warned that in the meantime some of these countries are shifting to other trade areas. France, for one, has been taking considerable Egyptian cotton. Many foreign countries are also dealing on a barter basis, trading something they produce for a product of another country probably as lacking in "hard" cash as they are.

To study competition that United States farmers must face from other producing regions as well as prospective outlets, Ide P. Trotter, now Dean of the Graduate School at Texas Agricultural and Mechanical College, but at that time Director of the Extension Service, took leave from his job for a few months and went to the Orient.

He visited Japan to learn what they were doing with cotton, and China, India, Pakistan, and Greece to study cotton production in these countries as well as its use. He found cotton production on the upswing in India and Pakistan. China was beginning to grow more and better-quality cotton, some of it American varieties. Doctor Trotter told of talking with one Chinese farmer who now plants a big part of his acreage to an American variety. When asked why, the farmer replied, "The Japanese made me plant this cotton when they occupied this part of China." But once planted, the Chinese found he was getting better yield and quality, so he continued to use it.

If China could get all its cotton to its own mills, production and use would be nearly equal. In 1948, however, most of the mills were in the territory of the Nationalist Government while the cotton production areas were in Communist hands. Thus, recently, China has been a heavy user of American cotton. Future markets will depend on political developments in that war-torn country.

Trotter and Norris both report that cotton mills are being established in the principal cotton-producing countries. In comparatively recent years, for example, large cotton textile industries have grown up in Brazil and other Latin American countries. This is also occurring in India and China.

Britain, formerly our greatest taker of cotton, has been trying to build up Empire cotton production for many years, particularly in Africa. Mr. Norris plans to go to Africa this year to see what progress has been made there. He has already looked over the prospects in South America. Here he found some increased production probable in Brazil, the leading cotton producer and exporter in that part of the world.

In the meantime, F. H. Whitaker, borrowed from the Department's Cotton Branch of Production and Marketing Administration, spent this past winter in Europe to continue the study begun by Mr. Norris and to follow trends in cotton consumption and sources of supply for the European mills. Mr. Whitaker found raw cotton supplies inadequate in Western European countries, except in Belgium and Switzerland. Cotton consumption is expected to rise in all except the latter two countries in 1949. What these three cotton men—Norris, Trotter, and Whitaker—have learned in their studies abroad confirms the fact that cotton farmers of this country face strong competition in the future from increased foreign production and from synthetic fibers.

Because rice growers began growing so much more of their crop during the war, they have faced a particularly perplexing problem. J. N. Efferson, professor of agricultural economics at Louisiana State University, in the heart of the United States rice-producing area, undertook the study. He knew that rice now grows on 1.7 million United States acres, as compared with a prewar 1 million acres, and that rice growers now produce almost 80 million bushels yearly in contrast to 45 million before the war. Quite logically, then, the spotlight was focused on rice exports, because nearly half of the United States production has recently been going into world trade.

Doctor Efferson's job was to come back with an answer to one question for rice growers, "Will all the rice we raise continue to have a place to go at a profitable price?"

If the answer was "No," then rice growers would need

African zebras watched as Mr. Akers motored past their grazing ground.

to decide whether to cut down acreage if they could not find markets at home. Naturally, the whole rice industry is interested in this problem—the processors so they can plan their future volume and other handlers and distributors who want to know where they can sell what farmers produce.

After Doctor Efferson came back from visiting 19 countries, he reported that, barring unforeseen circumstances, the world demand for rice would be met sooner than had been expected. He reported a definite falling off in orders in parts of the rice-consuming regions. Rice growers in foreign countries, particularly the Orient, were beginning to get back to prewar production levels.

He also noticed some changes in food habits, such as a switch from rice to grain. For example, young people in Japan told him they had begun to like other kinds of food they were getting under United States occupation, bread and grain products particularly.

Doctor Efferson is now making a study of rice production, consumption, and trade in South America where Brazil, in particular, is a strong competitor with United States rice. Completion of this study will round out the postwar story on the world's rice situation.

The tobacco picture is relatively brighter than that for some other commodities, according to latest reports from J. B. Gibbs and C. B. Cheatham, Jr., two of the specialists who have been studying this crop. They state that smokers in many countries have acquired a taste for the American-type blended cigarette. While these men were in Europe a year ago this winter, negotiations were begun that resulted in contracts to move a sizeable volume of American leaf to Germany. Later Mr. Cheatham went back to Europe to work with tobacco manufacturers on the best way to handle and use American leaf.

Mr. Edler's photograph of orchard grass in shocks, near Boston, England. Important for its seed, it was given priority protection during the war.

These specialists also reported that some European countries—particularly France and Italy—have in the past few years increased tobacco production.

George W. Van Dyne, too, recently completed a survey of tobacco production and use, in Latin America. Here tastes are also swinging to American-type tobacco.

But fruit growers had a more unfavorable picture presented to them. Fred Motz—a man who has spent much of his life working with the fruit industry, much of it abroad studying the export trade and world production of fruit for the Department of Agriculture—came back from Europe last fall with this story. All over Europe, the time-honored fruit-bowl custom is gone. It used to be that a European reached into a bowl standing on his table or sideboard and finished his meal with some kind of fresh fruit. Mr. Motz told the fruit men, "Since the war he's been lucky to reach for bread and potatoes."

At a meeting of fruit men, some of them asked why ERP dollars were not used to buy fruit. Mr. Motz pointed out the dilemma of these countries. They only have so much . . . or so little, whichever way you look at it . . . "hard" money. All the dollars they have or earn and all the ERP dollars are being earmarked for absolute "essentials"—something to keep these countries going and to try to help them rebuild to a self-supporting basis. So far, fruit is not classed as one of these "essential" items.

And even for essentials, often a choice has to be made. He pointed to an example. The coal strike forced France to import additional coal from the United States at a cost of several million dollars. This meant a corresponding cut in their purchases of agricultural products. France had to have this coal to keep her industrial machine running, so ERP dollars were used for coal and further delayed the rehabilitation of trade in fresh fruits.

All this means that the historical pattern of marketing United States fruit in Europe is changed for now.

Mr. Motz told representatives of the fruit industry that they could not hope to regain their markets in Europe until those countries had come much farther on the road to recovery. Nor did he believe that the industry could hope for an enlarged South American market—he had studied that possibility on an earlier scouting trip. He pointed out, however, that fruit men have 147 million customers at home since this country is one of the few with dollars to spend.

In the past, about 15 million bushels of the apple crop and 2½ million bushels of winter pears were sold outside the country. Loss of these markets is serious to United States fruit growers. Mr. Motz, therefore, went back to Europe shortly after the first of the year to continue studying the situation.

In October 1948, J. Henry Burke sailed for Europe to begin studies of market opportunities for citrus fruits and products—one phase of the fruit industry already hardest hit in some sections of the country by an afterwar let down. The story on citrus is a part of the picture painted by Mr. Motz—no dollars, no purchases and revival of the European market dependent upon the continued rebuilding of Europe's economy.

A. E. Mercker also spent several months in Europe, surveying the potato situation. On returning to the United States, he reported that even though on paper the 1945–47 export figures might seem favorable, not a single bushel of table potatoes moved from this country to Europe except under an aid or Government program.

Normally, Europe produces its own potatoes and also exports some. Since the 1945 low point, potato production there has been increasing, reaching record proportions in 1948. As to possibilities for developing any market for United States seed potatoes, Mr. Mercker reminds the potato industry of certain handicaps they have to face—high transportation costs nearly equal in some cases to the delivered cost of seed potatoes from other European countries, a rather general preference for yellow-fleshed potatoes in Europe, return to self-sufficiency in these countries, and the present shortage of dollar exchange.

Surveys of the four other commodities so far studied show that the world is beginning to build up its production again fairly fast. Except for beans, peas, and yellow set-type onion seed, George C. Edler, a USDA man, reports that Europe has an adequate supply of vegetable seeds. He also found that, while generally in Western Europe smaller acreages of red clover seed were harvested in 1948 than in 1947 and yields were lower, the supplies of clover seed for the 1948–49 season should not be much below average. Carry-over from preceding crops will fill out the supply.

Keenest competition for our edible tree-nut producers comes from the Mediterranean area. Walter R. Schreiber, a USDA specialist in this commodity, studied production there last summer. He found that the filbert crop was expected to be above average, and the almond crop, considerably below.

Howard Akers, also a USDA specialist, returned late in 1948 after studying production of vegetable oils and oil seeds in Africa and the markets in Europe. Here he was gathering facts needed by the oil seed and livestock producers in the United States.

As for fish, European countries generally consider United States canned fish somewhat of a luxury item and are not spending their dollars for it. For years, at least half of the United States edible fishery products went to Western Europe. In 1948, these exports dropped sharply, and Arthur M. Sandberg, who was loaned to the Department by the Fish and Wildlife Service, was sent to Europe to investigate the situation. He reports that both the fish catch and the fish-canning facilities of the Western European countries and their overseas territories have been increasing rapidly since the close of the war. This expansion has been encouraged by the absence of United States fishery products from European markets. Consumers there, however, will buy the American product when it is again available.

So the running reports that come in to the Washington office have by now begun to picture the world situation as it relates to export markets for these nine commodities. Some of the news is good, some bad. But this global research job is helping to gather information on the United States agricultural crops' chances in the world markets.

Mr. Mercker, during his survey of the potato situation abroad, takes notes on a new potato variety in Germany.

Onions in Egypt

Pyramid of Giza, near Cairo, symbol of Egypt's ancient civilization. Tradition has it that onions were a food of the pyramid builders.

Wooden plow and oxen, used in all parts of the Nile Valley, in onion production and for other crops as well.

Onion experimental plots, Ministry of Agriculture, Giza, Egypt. Left, Abu Bakr Hasan, in charge of onion breeding. Standing, Dr. K. R. Stino, in charge of vegetable breeding, Fouad I. University, (former graduate student in truck crops and genetics at University of California). Right, Dr. H. A. Jones, United States Department of Agriculture.

Dr. H. A. Jones, United States Department of Agriculture plant scientist, has returned from a month's stay in Egypt, where as guest of the Minister of Agriculture, he studied all phases of onion production, from growing the seed through the harvesting and marketing of the onion crop. As a result of his visit, he is submitting recommendations to the Egyptian Government for improving Egypt's important onion industry in furtherance of the Department's policy of cooperating with the governments of other countries in the exchange of technical agricultural knowledge and plant material. Onions are one of Egypt's largest export crops and are marketed as far north as Scandinavia and as far west as Central America.

Dr. Jones believes that the small, flat, yellow pungent Egyptian onion, Giza No. 6, can be improved to the benefit of both the Nile Valley grower and the European consumer. He says that the chief needs of the Egyptian onion industry are (1) onion varieties of more uniform size and color and of high quality; (2) increased and more stable yields of marketable onions and of seed of improved strains; and (3) handling practices that reduce injury and spoilage.

Dr. Jones conferred with the Minister of Agriculture, staff officials, and members of the faculty of Fouad I. University, and visited principal onion-producing areas. Some plant scientists with whom he worked were his students when he was on the University of California faculty.

During his stay in Egypt Dr. Jones collected a large amount of vegetable seed of native types, which offers promising material for plant breeders in this country.

Harvested onion field in upper Egypt. The onions are left in small piles to cure for a short time, then the tops and roots are clipped off and the onions bagged.

Onions move from field to railroad station on camel back. Each camel carries about 1,200 pounds. Practically all farm crops are hauled from farms to transportation centers in this manner.

Sacks of onions, stacked along the railroad tracks, awaiting cars to take them to Alexandria where most of the country's onions are transported to be graded and packed for export.

Trends in World Agricultural Trade*

A review of agricultural trade developments and problems, with special consideration of governmental controls, world dollar shortages, and ECA programs.

by ROBERT B. SCHWENGER

Great fluctuations in world trade in agricultural products have characterized the past 35 years. For some of the crops of which large portions are exported, these fluctuations have been such a shock that the ordinary market mechanism could not absorb it.

Before World War I, the supply of export crops was adapted to requirements primarily through price changes. But when production was expanded greatly to meet a temporary demand, such as that of the war and thereafter, and had to recontract, prices alone could not control the situation. To accomplish the necessary adjustment, they would have had first to rise to unheard of heights and then to fall violently and to stay at unprofitable levels for a number of years.

That process proved disastrous for producers. It had economic and social repercussions that even a quite stable, healthy economy would find difficult to absorb.

The result was intervention by government. Such intervention, in one form or another, has been the policy in important agricultural countries almost ever since.

Government Intervention in Commodity Situations

During the first world war, governmental controls of trade were accepted as a temporary measure in most countries. In the 1920's, therefore, there was a return to reliance on the ordinary price mechanism. When this proved to be unsuccessful, governments once more returned to interventionist measures.

1925: Wheat harvesting was more difficult many years ago, but the problems of international trade were easier to solve.

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*This article is based on an address given by Mr. Schwenger at the Agricultural Policy Conference, Durham, N. H.

1948: Wheat harvesting has been streamlined, but the international problems of trade remain and, in many cases, have become more complex.

A major cause of the subsequent difficulties lay in the self-sufficiency policies that the great importing countries adopted. They expanded their agricultural production not only up to prewar levels but beyond them. And they used various forms of governmental control of their imports to protect their expanded production from the competition of overseas sources of supply. This reduced the world market substantially. It greatly aggravated the adjustment problem for the exporting countries. World markets were glutted and prices fell. This was an important cause of the depression of the 1930's. With the depression, the market shrank even further, and the exporting countries engaged in "cutthroat competition" for such of it as remained. Some exporting nations not only competed by cutting prices, but they also made economic and political deals with the importing countries in order to assure themselves a preferred position in the markets of those countries.

By 1939, governmental control of agricultural trade had reached a point where some of the staple commodities of international trade could no longer be said to have a true world market. Prices in one part of the world had lost significance in relation to those in other important parts of the world. An international trade transaction had become a complicated political as well as economic process. To sell abroad required not only the usual commercial operation but also a variety of political arrangements as well. Some trade had become practically intergovernmental barter, with private traders sometimes acting as agents to carry out agricultural trade transactions for their governments.

But even by 1939, in spite of all these manipulations, production still did not adjust to commercial requirements. Surpluses were piling up in government hands.

It had become apparent that governmental intervention, as then practiced, had failed. The action of governments—individually, in pairs, or in blocs—had produced a chaotic situation from which no one derived any real net advantage. The commodities involved, such as wheat and sugar, are international commodities. Their market is much wider than the jurisdiction of any government or small group of governments.

One solution now being attempted on a limited basis is to bring a large number of governments, having a substantial interest in an individual commodity, together to work out an international agreement regulating trade in that commodity. Provision

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for such interim action is elaborated in the charter for the International Trade Organization. It is designed to mitigate the hardships to producers arising from burdensome surpluses, until such time as the ordinary play of market forces can restore a more balanced situation. In the International Wheat Agreement, completed in Washington on March 23, this approach is incorporated. This Agreement is a multilateral contract guaranteeing that importing countries will take a certain amount and that exporting countries will supply a certain amount within a specified price range over a period of years.

Whether this approach will help with other commodities is yet to be determined. Much will depend on whether the proposed Wheat Agreement is ratified and operates successfully.

The Food and Agriculture Organization is now studying the needs and practicability of agreements in several other agricultural commodities that bulk large in world trade.

It is thought that if other agreements are found desirable they may involve a less formal arrangement than the new Wheat Agreement. They might establish an international council to deal with the problems of the commodity from year to year in the light of the rules developed in the International Trade Organization charter. Still others might be no more than permanent consultative groups that would take action only when problems seemed sufficiently acute to prompt governments to reach agreements in order to avoid a chaotic market situation.

The Dollar Problem and ECA

Not only did governmental intervention attempt, during the 1930's, to meet specific commodity problems but also governmental intervention was extended in some countries to meet the problems of trade as a whole. There was not only the over-all control of economic life adopted by the Soviet Union after 1947—adopted to a considerable extent for ideological or domestic reasons—but there was also a less revolutionary system of control of trade in other countries through the control of foreign exchange.

The latter first became prominent in a large trading country when Hjalmar Schacht, as Hitler's chief foreign trade and currency expert, began to manipulate German trade with individual foreign countries in the early 1930's. The essential technique used was that of bilateral clearing. Germany forced countries from which she ordinarily bought goods to take more German products or lose their markets in Germany. She stimulated domestic production of products normally imported and production in eastern Europe of products normally obtained from markets less subject to German influence. The German Government took effective control of foreign purchases and sales, used different rates of exchange for different countries and even for different transactions with the same country, and manipulated prices and sources of supply so as to take maximum advantage of differences among traders from other countries. The economic justification given for this type of trading was the shortage of foreign exchange due to the fact that other countries, chiefly the United States, were not buying enough of Germany's exports. A basic motive behind these practices, however, was to decrease the purchase of consumption goods from abroad in order to accumulate dollars to use for special purposes, such as buying material needed for the military machine then being built in Germany.

Today, particularly in Europe, many important countries have adopted a similar technique of control. This presents a special problem for the United States. This nation's goal is to restore a healthy world economy and particularly to reestablish a so-called high-trade area in which the United States and like-minded countries of the world will be able to trade together freely to their mutual advantage. The control techniques can be used as a transition toward such a high-trade economy. In fact, under the disturbed political conditions that existed in Europe until a little more than a year ago, such control techniques may well have been the most effective way to accomplish a transition without exposing the economies of the European industrial countries to the danger of control by the totalitarian groups within those countries.

In the past year, with the help of the European Cooperation Administration, a substantial measure of progress in recovery in those countries has been made.

Perhaps the outstanding problem of those countries a year ago was the dollar shortage. In fact, the most striking aspect of world trade as a whole, even now, is that everyone wants to buy more goods from the United States than he has available to sell to the United States. United States exports exceeded imports by more than 9 billion dollars during 1947. Under those circumstances, it was natural for the European countries to concentrate on the problem of cutting their imbalance with the dollar area, and their controls during the past year have been directed primarily to that purpose. A measure of their success is the decrease in the United States surplus of exports to a level of a little more than 5 billion dollars. In other words, the trade deficit of the world against the United States was about cut in half.

In 1947 the United States supplied one-third of all the goods exported by the countries of the world. In 1948 the figure had fallen to 25 percent. Since the prewar figure was 14 percent, this is a reassuring change.

But a closer look at the figures indicates certain respects in which these developments are less reassuring than might at first appear. The improvement in the dollar position of the ERP countries was made much more through the curtailment of imports from the United States and other dollar countries than through the increase of exports to dollar countries. There was more evidence of austerity in the use of high-cost products from outside of the dollar area than there was of new or increased "viable" production that could survive after competition with dollar sources is resumed. Consumption of many products within the ERP countries is still controlled at relatively low levels, the internal structure of prices and wages in some of the more important ERP countries is being controlled under inflationary pressures in a way that is not steering resources into their most effective uses, and the currencies of these countries are being held at artifically high rates of exchange.

Under these circumstances, it is difficult to judge which of the "recovery" developments in those countries are going to be able to continue in the future without public support or protection and which are true recovery of the kind that could be maintained in the sort of high-trade area that we hope these countries will join us in forming. An important thing to watch from this point of view is the extent to which controls, *vis-a-vis* the United States at least, are relaxed or are modified in the direction of decontrolling as recovery proceeds. That will give some indication of the extent to which new nondollar sources of supply of agricultural and other products, both in the ERP countries and in overseas soft-currency areas, are efficient sources that will be able to stand on their own feet after the transition period.

The General Agreement on Tariffs and Trade, which is now in effect among most of the important trading nations of the world, and the proposed charter for an International Trade Organization, which is under general consideration, embody those policies of nondiscriminatory multilateral trade with which this country is firmly associated and provide the means for restoring and maintaining open channels and high levels of world trade.

United States Imports

One further important factor in the problem of recovery is that of the level of imports into the United States. In 1948, they were at an all-time high of 7 billion dollars, and it is argued that, if foreign production had been more fully restored, imports would have been even higher.

Imports are frequently a cause of considerable concern to producers. Actually, most of the things the United States imports cannot be produced in this country or cannot be produced in sufficient quantities. Out of the 3 billion dollars worth of agricultural products imported in 1948, half were products not grown in this country, such as coffee, tea, cocoa, rubber, silk, and spices. The other half, about 1.6 billion dollars worth, were products of which the United States does not grow enough—wool, special kinds of cotton, tobacco for use with American tobaccos, and certain vegetable oils.

Imports of a product under special circumstances that suddenly enable foreign producers to take over important parts of the United States market are a matter of legitimate concern. But this is not a common or usual situation. Imports normally increase in response to high prices and decline as prices fall.

There is a direct relation between the level of economic activity in the United States and United States imports. A decline in domestic economic activity is usually accompanied by a decline in imports. The resulting loss of part or all of the United States market would greatly affect the domestic economies of foreign countries, and the impact of depressed conditions abroad would in turn have serious repercussions on the economic welfare of the United States.

The South African Ostrich Industry

By JOHN C. FUESS

Fifty years ago, when women wore large plumed hats and feather boas, ostrich breeders and merchants had a ready market for their product. After World War I, however, fashions changed, and the industry was drastically curtailed. It has for sometime been genuinely concerned with getting away from dependence on the whims of feminine fashions into more stable industrial outlets.

Mr. Fuess is Consul, American Consulate General, Capetown, South Africa.

Fully grown ostriches. Oudtshoorn, Western Cape Province, South Africa.

Ostrich breeding in South Africa is today a million-dollar industry, and breeders and merchants believe that if markets can be developed in the United States the industry's activity can be doubled.

A major preliminary step that must be taken before this goal can be reached, however, is the obtaining of better information on the requirements of the American market. Breeders are anxious to know (1) To what uses United States importers or manufacturers put various types of feathers; (2) what specifications are required by the United States market for ostrich feathers; (3) whether most of the feathers are stripped by the manufacturer; and (4) whether there is a market in the United States for ostrich skins. Adequate answers to these questions will enable the industry to plan the direction and grading of its exports more accurately.

This information should be applicable not only for long-range planning but also for today's markets because the United States uses about 80 percent of South Africa's feather production. Most of the feathers are sold first in the United Kingdom from which, by law, 75 percent of them must be exported within 6 months. Thus, the majority of feathers find their way to the United States. Ostrich skins, too, go initially to the United Kingdom—either directly or, in conjunction with exchange manipulations, by way of Italy—are tanned there, and exported to the United States.

South Africa's ostrich industry is almost entirely centered around the town of Oudtshoorn in Western Cape Province. And here is located the new feather cooperative (reorganized in 1947), Die Klein Karoo Landboukooperasie Beperk. The cooperative has more than 1,000 members.

The location at Oudtshoorn is dictated in part by the climate, for ostriches require a 7-inch to 8-inch rainfall and are not dependent on regular supplies of food and water. At the same time, however, the district was found ideal for growing lucerne (alfalfa), the favored feed for ostriches. In fact, the ostrich industry is generally given credit for introducing lucerne into South Africa. The introduction of lucerne and tobacco into the area has proved a boon to the community, enabling the farmers to become independent of the pitfalls of a one-product economy. It is a sufficient commentary on the variability of the ostrich market that Oudtshoorn alone has developed a tobacco industry that returned about $650,000 to its farmers in 1947.

Ostriches were originally found wild in the Union of South Africa and were hunted for meat until the herds were decimated and the wild birds were driven far into the northern parts of Western Cape Province. It was only recently that the Administrator of the Province decreed that they were "protected" and not to be hunted outside the normal shooting season.

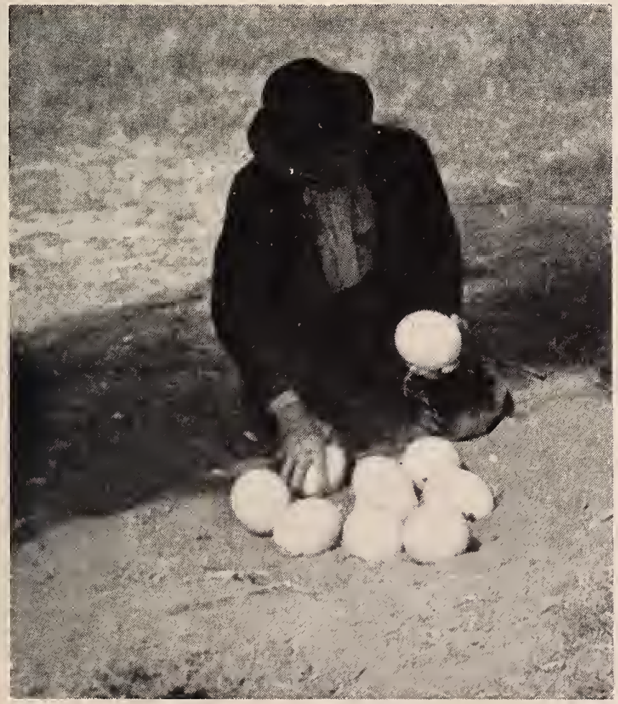
In the early 1900's when the world fashions favored ostrich plumes, big private herds of ostriches were bred. Sales of feathers between 1903 and 1913 averaged more than $7,000,000 yearly. In 1913 some 1,023,000 pounds of feathers were exported, largely to England and France. In that year it is estimated that there were about 700,000 domesticated birds in the Union.

With the end of World War I and the advent of the open touring car, the fashion for ostrich feathers died and the industry in South Africa was almost destroyed, the birds being largely killed off for meat. An effort to revive the industry was made in 1924 by the formation of a feather cooperative, but this failed. Over a period of several years, a comeback on a minor scale was made in the markets for duster feathers.

In 1945 the feather market again revived when Queen Elizabeth began wearing plumed hats, and local breeding was begun with the some 14,000 birds remaining. At the same time, efforts were made to develop markets for ostrich skins, which are extremely tough and not subject to stretching, for use in fancy handbags, women's shoes, and luggage. The recent revival of the industry is seen in the following figures:

Year	*Birds*
1945	14,000
1946	18,000
1947	25,000
1948	40,000

Local farmers estimate that, while "an ostrich never dies of old age," its useful life averages from 10 to 15 years. Breeding is controlled according to market demand, but with an active market the birds are bred three to four times a year; the hatching period is 6 weeks. The average is 8 to 10 successful chicks per breeding.



Ostrich eggs, Western Cape Province, South Africa. Each egg weighs nearly 3 pounds.

Oudtshoorn farmers cut feathers on an average of every 10 months, leaving the quills in for 2 months after each cutting. Each plucking of the average bird yields approximately the following quantities of feathers:

	Ounces
White wing feathers	7–8
Body feathers	20–24
Tail feathers	5–6

There are no outstanding local problems in the raising of ostriches aside from lice, which ruin the feathers but are controlled successfully by dipping.

Accurate data on production of ostrich feathers and skins are not available, but the estimates that I was able to get from breeders, the manager of the feather cooperative, and a marketing firm give a fairly accurate if incomplete picture:

	Year	*Quantity*	*Value*
Feathers	1947	——	$994,300
	1948	92,675 pounds	1,063,600
Skins	1948	14,000	130,000

Thus it is estimated that production of skins and feathers in 1948 were valued at just under $1,200,000. Breeders state that this production can be increased quite rapidly, should market conditions warrant.

Reading about... Foreign Agriculture

The Fig, by Ira J. Condit, with a foreword by Walter T. Swingle, formerly of the United States Department of Agriculture. 22 pp., illus. Waltham, Mass.: The Chronica Botanica Co. and New York: Stechert-Hafner, Inc., 1948. $5. This monograph is a highly documented account of the fig and its near relatives. Dr. Condit states that his book is not intended to be a textbook or a manual on practical fig culture, but a specific record of essential facts regarding the fig. This volume, said to be the only modern book on the fig published in English, is the result of the author's research and personal study in California and other fig-growing areas of the world during the past 30 years. Botanists, horticulturists, and growers alike will find of interest discussions on the fig's history, caprification, breeding, climatology, propagation, culture, varieties, food value, distribution, diseases, and insects.

Collective and State Farming In Yugoslavia

by WILLIAM KLING

Since the war, a number of radical changes affecting agriculture have taken place in Yugoslavia. These changes reflect similar developments in other countries coming under communist regimes.

Along with a growing development of collective and State farming operations has been a land-reform program; greater farm mechanization and the use of machinery through centralized State machine stations; rigid control of marketing, with private trade practically eliminated except for elementary peasant-consumer transactions; and the growth of Russian-type cooperatives.

Collective Farms

Although the area under collective and State farms is widening, most farm production in Yugoslavia is still on private peasant holdings. The first steps toward collectivization were taken in 1945–46 during the transitory period of the land reform under which land was taken from the larger farmers and the "enemies of the people" and allotted to poor farmers and to State and collective farms.

The colonists who settled on expropriated holdings, especially in the Voyvoydina area, were first approached by the Government under the program of collectivization. These peasants had been moved from the poorer areas of the country to the more fertile Voyvoydina and had torn themselves away from their traditional homesteads, habitats, and folkways and could receive an additional innovation with relatively little opposition. In such state of flux, it was easy to prompt many to form cooperative or collective farms, especially since the recipients of land under the reform were often people already won over to the principles of the new economy. Thus, it was not long before collectives were operating. In April 1949 the number of collective farms was reported as 3,346 consisting of 1.8 million acres of land and 155,840 homesteads. In the fertile Voyvoydina, 41 percent of total land was reported "in the socialist sector" (Tanyug, April 17, 1949). This compares with 808 collectives in late 1947, with 35,000 families on 514,000 acres of land. However, collective farms still account for only a small part of the country's total crop area—about 19 million acres.

The Government is vigorously continuing to encourage the formation of collectives and will do so increasingly, although retarded by the individualism of the average peasant. On April 24, 1948, Vice-Premier Kardelj voiced the Government's position on collectives as follows:

> In our country there is only one course: comprehensive development of the present cooperative movement from the lowest to highest forms, in which the master will be the small and middle sized peasant and not the village's wealthy section. Only the correct development of the peasant cooperative (collective) movement can create the necessary conditions for large-scale mechanization and application of higher agrotechnical measures in our agriculture.
>
> Peasant cooperatives of the purely wholesale-retail type, although they can be an extremely important stronghold for national trade, are in themselves not yet capable of introducing qualitative changes in agriculture.

Most collectives have encountered numerous difficulties. It appears that production for several years will be adversely affected by the adjustments and adaptations that peasants must make to collective farming. Lack of "know how," especially in the cultivation of specialized or industrial crops, will result in less than normal yields and production. Moreover, the peasants will have to accept different farming methods if the collectives are to be a success.

The regulations now governing cooperative or collective farms include the following directions for operation:

Collectives are supposed to be freely established, with the prospective cooperator being fully informed on the methods of operation. This is the Government's stated policy, but considerable "advertising" and various forms of pressure are applied, which do not appear to be severe as yet.

Land may be brought by a peasant into a collective either by leasing it to the collective on a rental basis, by being brought in on shares,[1] or by renouncing ownership in favor of the collective and working on the basis of income sharing. Payment for equipment contributed to the cooperative is in cash or in the form of shares. Essentially, each cooperator has a share in the business, but, as noted later, this may be described as nonvoting stock.

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[1] Rental payments or interest on such leases may not exceed 30 percent of the total annual revenue of the collective. Interest is paid at an agreed rate determined by the cooperators but not exceeding the rate paid by the National Bank on savings.

Most land is cultivated in common, but each cooperating household retains legal property rights for land equivalent to its contribution.

Cooperators may retain for private use a house, garden land around the house, limited livestock,[2] and equipment necessary for the prescribed limits of private operations.

Cooperators are obliged to remain in the collective for at least 3 years. If a cooperator withdraws after that time, the original land contributed to the collective need not be returned to him if this will divide large units of land adapted to mechanization. In such cases, substitute land of equal quality is to be provided. Since most collectives have not yet been operating for 3 years, the application of this rule in practice cannot be measured now.

Each member is liable for obligations of the collective amounting to not less than five times the value of his subscribed shares.

Collectives are to establish reserve funds for insurance against poor crop years or loss of cattle. Insurance may be carried with Government institutions for these purposes. Collective funds are to be built up from 10 percent reserves set aside each year from revenue. Two percent of the revenue is also to be invested annually in a "social fund" to meet the needs of invalids, the aged, and similar needy cases. One percent is to be paid into a cultural fund for educational purposes and children's nurseries. Between 10 and 25 percent of revenue will be paid into a "seed" and "food and fodder" fund. (Tanyug March 10.)

Each year a production and financial plan is to be developed to guide the work of the collective.

Work in the collective is conducted by brigades, each brigade being responsible for a different phase of work. Outside help may only be employed when specific tasks must be finished at a certain time and when the available labor of the collective is insufficient. Technical help may also be employed.

Payment to members of collectives is on the basis of norms established for quality and quantity of work. Members who surpass norms are given bonuses, while those who do not meet norms are penalized by reduced payments, which may not exceed 10 percent of normal earnings. Payment is in kind and cash.

In theory, the chief governing body of the collective is the assembly consisting of all the members of the collective. It elects a president, a secretary, a board of administration, and a board of control and makes decisions on various policies and problems of the collective.

It is important to note that Yugoslav collectives are not true cooperative ventures of freely deciding peasants. Actually, the broad lines of policy and the local management are directed by the higher ech-

Typical peasants of southern Yugoslavia.

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[2] Two cows, one sow, and as many pigs as are needed to feed the family, 15 sheep, one horse, and as many poultry as desired.

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Oxen provide an important means of field power and of transportation in Yugoslavia.

elons of the Government—regardless of the bylaws of the cooperatives, which provide for democratic machinery and operation through the assembly. The federal law governing cooperatives provides for top-level direction, and the fear of the consequences of nonconformism in a dictatorial regime ensures adhesion to the Government's wishes.

A true cooperative movement, operating on a democratic basis with the guidance of good technical management, might improve peasant life. At least, the poverty, isolation, and backwardness of many areas could be attacked more directly. Medical services, schools, and other community facilities would be more feasible on a concentrated group or cooperative basis rather than on the basis of separated villages and farmsteads that has existed. Small land units could be consolidated by the minimization of strip farming and, in general, better methods could be practiced. Even in a democratic cooperative, however, the stresses of individual drives as opposed to group objectives would need to be overcome as well as the problem of converting to the new system of production. Moreover, peasant opposition to collectivization must be contended with. The Government has moved slowly for these reasons. Its course has appeared to be ultimate collectivization of farming, and, unless Tito is "pushed to the right" by the tactics of the Cominform, collective farming will expand greatly in the next few decades. If collectivization is hastened, much disorder will reign in the countryside.

State Farms

State-operated farms are another feature of Yugoslav agriculture. By 1947, 146 State farms had been organized, often on the sites of former private estates or prewar Government model farms. Their total area was about 500,000 acres with 237,000 acres under crops.

State farms are designed to serve as models—to produce seed and breeding stock and to be in the vanguard in introducing new methods. They are also supposed to supply the Government with essential foodstuffs. Most of these farms are about 2,500 acres in size and often are engaged in a specialized enterprise, such as seed, grain, or fish production and horse breeding. Similar to State farms are those established by municipalities to supply the city through Governmental outlets. One example is the Belgrade City Farm at Pancevo near Belgrade, which is reported to cover about 25,000 acres.

Workers on State farms usually have their own quarters, garden, and some livestock. They are paid partly in kind and partly in cash. Most machinery is owned by the farm. The operation of State farms is not yet fully coordinated, and planned objectives have not been fulfilled. Under the 5-year plan, the total area of State farms is to increase by 49 percent, to 740,000 acres, but in the long run State farming will probably play only a secondary part in production compared with collectives.

Bringing in a catch of fish at Ečka (Voyvoydina) State Farm, Yugoslavia.

The Cereals Committee—A Historical Review*

by GORDON P. BOALS

An important chapter in international commodity collaboration came to an end on April 18 when the Committee on Cereals of the International Emergency Food Committee was ended. The Committee on that date agreed that "the further development of international allocation programs for wheat and flour does not appear necessary" and recommended that the Cereals Committee and its present functions be discontinued forthwith. Born June 1943, in the midst of World War II, as a commodity committee of the Combined Food Board, the Committee on Cereals has been the responsible international commodity organization dealing with problems relating to the movement in international trade of all grain and most grain products. Its membership, directly or indirectly, has accounted for practically all of the world trade in grains, especially bread grains, during the war and postwar periods.

In looking back over the nearly 6 years of Committee operation, there are three general points that appear to deserve special comment. They are (1) the evolution of the Committee, (2) the types of problems handled, and (3) the methods of operation. These points not only review much of the history of the Committee and its activities but also provide an insight into the ability of the Committee to cope with the difficult problems assigned to it.

Evolution of the Committee

This international Committee was seldom static for long, but rather changed with the constantly shifting world conditions during the war and early postwar years. When it was first established, as a Committee on Cereals and Feeds, the United States and the United Kingdom—as the original joint Combined Food Board sponsors—were the active members. The United Kingdom, through its member, represented most of the Empire and some Allied areas that were participating in the London Food Committee. Late in 1943, Canada, a major source of grain supplies and also an active supplier of many other agricultural commodities, became a full member of the Combined Food Board. At the beginning of 1944 the Committee on Cereals was reorganized, and Australia also was asked to participate in its work.

The Cereals Committee continued to operate as a committee of four member countries—the United States, the United Kingdom, Canada, and Australia—until the end of the war. At that time, it was evident that the purpose for which the Combined Food Board had been established continued to be urgent. It was also evident that there were many additional countries, particularly those recently liberated from the Axis Powers, whose food supplies or requirements would need to be considered in world programming activities and whose interest in the success of such activities was a vital one. During the fall and winter 1945–46, the following countries became members of the Committee: Argentina, Belgium, Brazil, Denmark, France, India, the Netherlands, and Norway. The United Nations Relief and Rehabilitation Administration also was given membership as an organization representing a number of claimant areas.

In May 1946 a special meeting on Urgent Food Problems was held in Washington under the sponsorship of the Food and Agriculture Organization, which had meanwhile been formally established as a specialized agency of the United Nations. This meeting recommended that a new international agency, to be known as the International Emergency Food Council (IEFC), should be established to replace the Combined Food Board and that the commodity committees of the new organization should be those existing within the CFB, with initially the same membership. It should be the policy of the Council, it was agreed, "to ensure that the membership of each Commodity Committee include representatives of those countries which have an important interest in the international trade of the commodity in question, and that such committees should have initial responsibility for preparing agreed recommendations regarding the procurement, international distribution, and short-term

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*This article is largely based on a more detailed statement, *Review of Cereal Committee Activities*, by Mr. Boals published in GRAIN BULLETIN, January 1949, Food and Agriculture Organization.

Mr. Boals served as Secretary of the Cereals Committee throughout its existence in CFB and IEFC.

adjustments in the production of the commodities dealt with by them." The commodity committees, it was further noted, should have "under continuing consideration the extent to which recommendations regarding these matters which have been accepted by governments are being effectively carried out by those responsible."

The International Emergency Food Council was formally organized on June 26, 1946, with 19 members, and the Combined Food Board terminated as of July 1, 1946. The Committee on Cereals continued its commodity activities without interruption. Membership changes during 1946 included the withdrawal of Argentina and later UNRRA, but the addition of the individual UNRRA countries—Austria, China, Czechoslovakia, Greece, Italy, and Poland—and also of Mexico, Portugal, Sweden, Switzerland, and the Union of South Africa. In 1947, Egypt, Finland, Ireland, New Zealand, Peru, and the Philippine Republic became members of the Committee, bringing the total membership to 28. The three exporting members—Australia, Canada, and the United States—were countries that supplied some 70–85 percent of the world's total grain exports during this period. The importing member countries, including the areas for which they were responsible, accounted for about 95 percent of world grain import trade.

With the large growth in membership and the increasing number of allocation problems, the need for a smaller working committee and a larger secretariat staff was recognized, especially as many of the country representatives were members of several commodity committees. An Executive Committee of seven members was established in December 1946 and, since then, with a secretariat staff of five to seven members, most of the Committee's work, particularly that of a detailed and current nature, has been handled in this way.

Types of Problems Handled

The records of the Cereals Committee activities indicate the wide range of the problems with which it has dealt. It has been a central point for considering practically all questions relating to the wartime and postwar movement of grain and grain products in international trade. When the Committee was established, grain supplies were ample to cover the existing needs of the Allied countries. In fact, large quantities of grain, including wheat, were even being used for feed and in the production of industrial alcohol for military purposes. The types of problems considered by the Committee during this early period related primarily to the most effective utilization of grain supplies and of domestic and ocean transport for moving grain, coordinating such movement with other war material, reviewing the milling capacity situation in various areas, and establishing stock piles in accessible positions and making other preparations for meeting military needs for civilian feeding in areas as they would be liberated. The development of export and shipping programs began in 1944.

The war in Europe ended early in May 1945, and in the Far East, in August of the same year. Requirements of claimant countries, especially in the liberated and heavily populated continents of Europe and Asia, rapidly became a major problem. Not only were they new and additional requirements, as compared with the war period, but also most of them were larger than usual due to reduced agricultural production, shifts in population, war damage to internal transport and handling facilities, and other reasons. A severe drought in the Southern Hemisphere followed by one in parts of the Northern Hemisphere, especially the Mediterranean region and eastern Europe, sharply reduced export possibilities outside of North America. North Africa and eastern Europe, normally exporting countries, became claimants for substantial wheat imports.

Surplus stocks were rapidly depleted, and in the first half of 1946 the problem of a sizable deficit and the need for emergency allocation programming appeared. It became accentuated by the shortages of other foodstuffs, with the demand for cereals largely expressing the food needs of claimant areas. During the 1946–47, 1947–48, and early 1948–49 seasons, the major type of problems handled by the Committee became that of determining the urgency of need and developing distribution programs of the inadequate available supplies among all claimant countries. The short crop in Europe in 1947 created a supply and requirement position that appeared virtually impossible to solve satisfactorily. Grain requirements were placed at around 52 million long tons as compared with an indicated 30–32 million tons available supply for export early in the season. That widespread famine conditions were avoided and no major breakdown in ration distribution systems occurred is a tribute to the degree of international collaboration attained in this food crisis period.

Methods of Operation

Among international commodity arrangements, the committees of the CFB and IEFC, and particularly the

Meeting of the Cereals Committee, Winnipeg, Canada. August 1947.

Cereals Committee, appear unique with respect to methods of operation. No formal international agreement was ever signed, no country was asked to make a financial contribution to the agency, and no sovereign rights of any country were granted to it. How could it have achieved any results under such conditions? There are several reasons for the Committee's success.

It operated as an emergency agency to achieve certain common, basic objectives. In the period of the Combined Food Board, it was "to coordinate further the prosecution of the war effort by obtaining a planned and expeditious utilization of the food resources of the United Nations," while under the IEFC it was to "formulate plans and recommendations for the most effective use of their food resources during the present emergency," which was characterized by requirements in excess of available supplies.

The Committee's operations were largely based upon statistical and other information about supplies, requirements, utilization, and shipments. The principal obligation of membership in the IEFC was to furnish such information as might be requested for its work. In this connection, it was recommended that "The Council shall be entitled to receive any information available to members in the Council relating to any matter with regard to which the Council is competent to make recommendations to their governments and, in principle, the entire food resources of the member governments will be deemed to be matters about which the fullest information will be interchanged."

World information was the life blood of the Committee's operations. Its secretariat became a "clearinghouse" on virtually every significant development affecting world grain supplies or requirements, and no action was taken with respect to allocations or commodity programs that did not have the entire world grain position in mind. The global approach was particularly necessary in arriving at appraisals of supplies and requirements and in determining the character and magnitude of the grain deficit. A basic element in the building up of the world picture was the pooling of information by member governments. Though many individual countries have useful and even extensive information channels of their own, Committee operations repeatedly demonstrated that the piecing together of various reports gave a better picture and enabled the Committee to act on the basis of more facts and understanding. No country, it was found, is able to have all of the information all of the time on a world commodity as extensively grown, shipped, and used as is grain.

The Committee dealt with all grains on a world basis. It recognized the close relationship between the various grains, particularly as regards production, handling, and utilization. While the chief problems before the Cereals Committee usually involved wheat and its products, the allocation programs would have failed if the Committee had confined its activities to wheat alone. It took account of every known shipment of all grains and products from all sources to all destinations. No shipment was ever regarded as ex-allocation. Only in this way was it possible to know the world commodity position at all times and the real needs of importing countries. It is doubtful if allocation recommendations could have succeeded without a global consideration of questions involving grains.

Committee procedure emphasized flexibility and adaptability to changing conditions. It was only in this way that important new developments could be taken into account. Keeping the position of all countries under constant review required much more work and attention, especially on the part of the Secretariat and Executive Committee, but without it many countries would have experienced serious breakdowns in rationing operations. Despite the large tonnage, averaging around 30–35 million tons annually in recent years, or more than all other food commodities together that were under allocation, no other IEFC committee operated as much on a day-to-day basis during the period of greatest scarcity. Yearly target figures were developed for both importers and exporters as soon as possible in each season in an effort to equate export supplies and import requirements. Quarterly allocation programs were established in advance of each quarter, and these were largely controlled by monthly shipping programs of the exporting countries. In this way it was possible to revise the volume or direction of movement to any country from month to month or even to obtain diversion during the month when emergency situations arose. The active cooperation of the three member exporting countries, the United States, Canada, and Australia, permitted this type of allocation programming that contributed so greatly to the success of Committee operations and to dealing with the world food crisis. Though there were export supplies available outside of the three member countries, most importers of such supplies were members of the Committee and also were desirous of importing quantities from member suppliers. This situation contributed to the global character of Committee operations, their flexibility, and the effective implementation of allocation programs.

An unusual technique of operation that was developed by the CFB and carried on by IEFC and its commodity committees was the recommendation procedure. The function of commodity committees insofar as they were spelled out included the following instruction: They "shall (a) have initial responsibility for preparing recommendations, with respect to which differences have been reconciled to the maximum degree possible, regarding the procurement, international distribution and short-term adjustments in the production of the commodities dealt with by them, and (b) have under continuing consideration the extent to which recommendations regarding these matters which have been accepted by governments are being effectively carried out by those responsible." Committee action, then, for the most part was in the form of recommendations to governments in which a general measure of agreement had been obtained with a request for their formal concurrence. This procedure greatly facilitated international collaboration as it was adaptable to existing conditions, yet the generally high degree of concurrence made the recommendations largely effective. Recommendations were developed on the basis of all known facts and knowledge of special country situations and usually for limited periods of time, which permitted frequent review. In this way, governments had constantly before them the knowledge of the world commodity position and a developed international commodity program that reflected the common interest of all members. National actions with respect to grain were often facilitated because of the international recommendations that had been developed by the Committee.

No commentary on the Committee would be complete, especially regarding its methods of operation, without reference to the unusual administrative position that it enjoyed.

George McIvor, chairman of the Canadian Wheat Board, was chairman of the Cereals Committee from January 1944 until December 1948. He not only skillfully guided the Committee through many difficult situations but also actively associated Canada with its operations.

William A. McArthur, Associate Director of the United States Department of Agriculture's Grain Branch, who served as vice chairman of the Committee, as its chairman since December 1948, and as the United States member, contributed greatly to Committee activities.

Further, the Executive Committee, country members, and the staff—to a large extent, composed of experienced or "key personnel," some with a lifetime of practical work in the field of grain and food activities—gave unstintingly of their time, experience, and assistance in doing the jobs assigned to the Committee.

Few issues were ever decided by vote, though perhaps no organization ever dealt with more controversial problems than allocations of basic foodstuffs in short supply. The area of agreement and compromise was largely determined by mutual consideration of the facts in the situation.

And so, with the passing of the Cereals Committee, a notable example of international commodity collaboration has come to an end.

INTERNATIONAL *Agricultural News*

Emblem Marks ERP Exports

This shield is being seen increasingly in countries participating in the European Recovery Program.

Red, white, and blue in color, it is the symbol that identifies goods sent to Europe by the United States

FOR EUROPEAN RECOVERY
SUPPLIED BY THE
UNITED STATES OF AMERICA

under Economic Cooperation Administration financing.

The words "For European Recovery—Supplied by the United States of America" appear between the stars and stripes. Translations into the appropriate language are substituted on shipments going to Sweden, Norway, Denmark, France, Germany, Italy, Greece, and Turkey. Decals, stencils, and labels are being used in affixing the emblem to ERP exports.

Bamboo May Prove New Source of Paper Pulp for Guatemala

Guatemala will someday have an excellent local source of paper pulp if experiments with bamboo now under way prove successful.

Experiments are now being initiated on the Minor R. Keilhauer plantation, Los Cerritos, near Escuintla, in cooperation with the Instituto Agropecuario Nacional and the United States Department of Agriculture's Office of Foreign Agricultural Relations. According to the plan, pulp produced from bamboo will be used to supplement the citronella bagasse now being used in the paper mill at Los Cerritos.

Officials report that considerable research will have to go into the project, but if it proves successful, it will be of great value to the country. One of Mr. Keilhauer's reasons for cooperating in the program is his desire to aid the Guatemalan Government's educational program by bringing inexpensive writing paper within the reach of all school children.

This experiment was begun early in March with nursery plantings of an introduced species of bamboo, *Bambusa vulgaris.* The planting stock is being produced from cuttings of whole culms, minus the tip part under 1 inch or 1½ inches in diameter, buried in trenches just as sugarcane is planted. It is expected that about 40,000 plants from this stock will be ready to be transferred to the field this month.

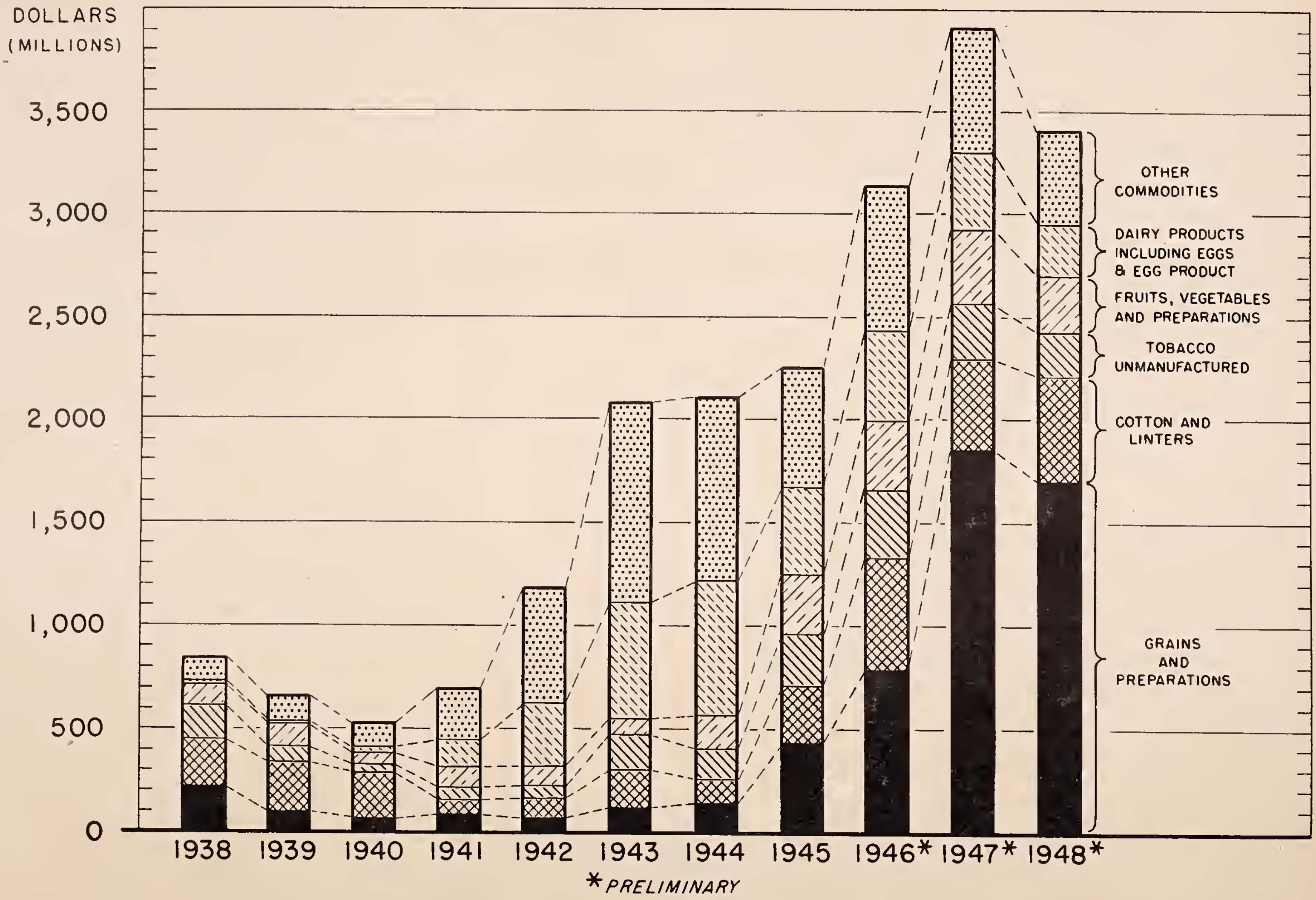
Experimental work along the same line, also with *Bambusa vulgaris*, but on a smaller scale, was initiated last year in the Polochic Valley of Guatemala by an American paper company in collaboration with the Instituto Agropecuario Nacional and the Office of Foreign Agricultural Relations with a view to determining whether bamboo for paper pulp can be produced in Guatemala by plantation methods at a cost that will enable such pulp to compete in the world market with pulp from natural stands of forest trees. It is anticipated that it will require at least 5 or 6 years to achieve preliminary indications of the outcome.

Bambusa vulgaris is believed to be native to the Island of Madagascar. No one knows when it was introduced into Guatemala, but its cultivation, on a small scale, has now spread throughout most of the well-watered parts of the country from sea level to altitudes of around 5,000 feet. Although this yellow bamboo (*bambú amarillo*) is the most familiar, a green form of the same species is occasionally seen.

Covering bamboo culms in the furrows.

U. S. GOVERNMENT PRINTING OFFICE: 1949

VALUE OF UNITED STATES AGRICULTURAL EXPORTS
1938 – 1948



United States agricultural exports amounted to 828 million dollars in 1938. In the early part of the war, they decreased to 517 million, then climbed to 3,912 million in 1947 and dropped to 3,420 million in 1948. Leading exports were cotton, grains, and tobacco in 1938, dairy products and meats in 1943–44. In 1947–48 grain exports accounted for about half of the total.

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